



Michigan Bankers Association

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November 10, 2009

The Honorable Marie Donigan
Chair, House Intergovernmental and Regional Affairs Committee
State Representative
PO Box 30014
Lansing MI 48909

Dear Representative Donigan:

Thank you for the opportunity to comment on HIB 5267. The members of the Michigan Bankers Association understand the intent of the bill, but have concerns with the implementation of the bill if enacted. After listening to the debate on this bill, both the opponents and supporters may have some good points, but because banks work in all counties of this state, the MBA is concerned that some registers will have the ability to determine redemption amounts and others will not. This bill would set up differing systems from county to county that will lead to confusion for borrowers and will cause banks that do business in multiple counties to have compliance issues.

We feel that borrowers who are going through the foreclosure process have all the information that may need to determine a redemption amount. But if there is a question, or the borrower does not know the redemption amount, the lender should determine that amount or the register could assist by using the registered document filed when the house is sold. The amendatory language in Section 4 of the bill may help to address the timely filing and recording of affidavits that will assist borrowers trying to redeem their homes. Perhaps more discussion on that amendatory language would be helpful.

MBA members support efforts that will reduce foreclosures and would support initiatives that will keep people in their homes; banks do not wish to own homes. While everything that can be done to avoid a foreclosure should be done, it needs to take place in a timely, orderly and structured manner to ensure conformity and see that everyone is treated fairly and consistently. We stand ready to work with you, the committee, the sponsor and the interest groups to address the issue of redeeming property.

Sincerely,

A handwritten signature in dark ink, appearing to read "Joelle Demand". The signature is fluid and cursive, with the first name "Joelle" being more prominent than the last name "Demand".

Joelle Demand, Policy Director
Michigan Bankers Association

Cc: Members of the Intergovernmental and Regional Affairs Committee
Rep. Fred Miller